

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2018-_____

IN RE:

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)	
Application of Duke Energy Progress, LLC)	APPLICATION FOR
for Approval of the Transfer and Sale of)	APPROVAL OF TRANSFER
Property in Apex, North Carolina)	AND SALE OF PROPERTY
_____)	

Duke Energy Progress, LLC (“DEP”), hereby applies to the Public Service Commission of South Carolina (the “Commission”) for approval of the transfer and sale of certain real estate, known as the Apex, North Carolina property (the “Property,” as shown in Exhibit A) that is currently included in the rate base of DEP. The Property is a parcel of vacant land containing an area of 71 acres and is a portion of a 1,844.16-acre parcel owned by DEP. This Application is made pursuant to S.C. Code Ann. § 58-27-1300, 10 S.C. Code Ann. Regs. 103-823, and other applicable rules and regulations of the Commission. In support of this Application, DEP would show the following:

1. The name and address of the Applicant is

Duke Energy Progress, LLC
550 South Tryon Street
Charlotte, North Carolina 28202

2. The name and address of the Applicant’s attorneys are:

Heather Shirley Smith, Deputy General Counsel
Rebecca J. Dulin, Senior Counsel
Duke Energy Corporation
40 West Broad St., Suite 690
Greenville, South Carolina 29601
Telephone: (864) 370-5045
heather.smith@duke-energy.com
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and

Frank R. Ellerbe, III (S.C. Bar No. 01866)
Samuel J. Wellborn (S.C. Bar No. 101979)
ROBINSON GRAY STEPP & LAFFITTE, LLC
Post Office Box 11449
Columbia, South Carolina 29211
Telephone: (803) 227-1112
fellerbe@robinsongray.com
swellborn@robinsongray.com

3. Copies of all pleadings, orders or correspondence in this proceeding should be served upon the attorneys listed above.

4. DEP is a public utility engaged in the generation, transmission, distribution, and sale of electric energy in South Carolina and is subject to the jurisdiction of this Commission.

5. The Property consists of certain real estate that is not required for DEP's current utility operations, and the transaction will not affect DEP's ability to provide reliable service to its customers at just and reasonable rates. The Property is a parcel of vacant land of approximately 71 acres and is a portion of a 1,844.16-acre parcel owned by DEP.

6. The Property was originally acquired by DEP-predecessor Carolina Power & Light as part of the development of the Shearon Harris Nuclear Plant (the "Harris Plant"), and is currently owned by DEP. Exhibit A shows the Property's boundaries, and Exhibit B shows the location of the Property in relation to the larger, 1,844.16-acre parcel and the Harris Plant. The Property is at the northeastern tip of the larger parcel of which it is a part.

7. The Property is located in the City of Apex, North Carolina, which is in Wake County. The Wake County Board of Education (the "Board of Education") identified the Property as an ideal location for a new school after it had completed a county-wide siting analysis for potential future school sites. The Board of Education approached the Company about selling the Property, and the Company decided to sell the Property to the Board of Education at its appraised

value.

8. The book value of the Property is \$77,084. The tax value of the 1,844.16-acre parcel is \$6,593,271, and the tax value of the Property calculates to \$253,840. The Property was appraised for \$2,627,500 as of June 21, 2018, and the Property is being sold to the Board of Education for this appraised value. The appraisal is attached hereto as Exhibit C.

9. The original cost of the Property being sold will be credited as a reduction of the amount carried upon the books of DEP under Account 101, "Electric Plant in Service." The difference between the sales price and the original cost of the non-depreciable Property will be applied to Account 421.10, "Gain on Disposition of Property."

10. The South Carolina Office of Regulatory Staff has been served with a copy of this application and exhibits. S.C. Code Ann. § 58-27-1300 provides that an electric utility must first obtain Commission approval prior to selling or otherwise transferring utility property with a fair market value greater than \$1 million. Therefore, DEP applies to the Commission for permission to sell the Property.

11. Applicant requests that this Commission: (i) approve this matter at the next appropriate weekly agenda session; (ii) issue an appropriate order approving the relief sought in the DEP's Application; and (iii) grant such other and further relief as this Commission may deem just and proper.

WHEREFORE, Applicant prays that, pursuant to S.C. Code § 58-27-1300 and other applicable rules and regulations, the Commission enter an order approving the transfer and sale of the Property.

Dated this 29th day of November, 2018.

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